

VI. LENDER TOOLS, TIPS & FAQs

This section contains tools and tips to further assist lenders in enrolling loans, submitting claims and provides answers to the most frequently asked questions. For the most recent versions, refer to the CalCAP ARB website:

☞ CalCAP ARB Homepage: <http://www.treasurer.ca.gov/cpcf/calcap/arb/index.asp>

☞ FAQs: <http://www.treasurer.ca.gov/cpcf/calcap/arb/faq.asp>

A. Lender Tools & Tips

1. How to Report the Number of Employees of a Small Business Concern & Related Affiliates

To report the number of employees of a borrower, the lender will request that the borrower count all individuals employed on a full-time, part-time, or other basis. If a borrower owns multiple businesses, has acquired an affiliate, or been acquired as an affiliate, the employees counted to determine size status include the employees of all affiliates. Employees obtained from a temporary employee agency, professional employment organization, or leasing concern that received payment directly from the borrower will be included.

The borrower should consider the totality of the circumstances, including criteria used by the IRS for Federal income tax purposes, to determine whether individuals are employees of their business. In general, an individual is considered an employee of a borrower if their compensation is issued by the borrower.



Volunteers (e.g. individuals who receive no compensation, including no in-kind compensation, for work performed) are **not** considered employees.

B. Frequently Asked Questions (FAQs)

For the most current FAQs, refer to the CalCAP ARB website at:

<http://www.treasurer.ca.gov/cpcfca/calcap/arb/faq.asp>

1. Why is this program available?

On December 12, 2008, the California Air Resources Board (ARB) approved a new regulation to significantly reduce emissions from existing on-road diesel vehicles operating in California. The regulation requires affected trucks and buses to meet performance requirements between 2011 and 2013. By January 1, 2023, all vehicles must have a 2010 model year engine or equivalent.

2. What types of trucks and equipment qualify for financing?

Qualified vehicles and equipment include heavy-duty trucks and buses (over 14,000 gross vehicle weight rating (GVWR)) equipped with engines certified to specified engine emission standards for 2007 and newer model year engines, diesel exhaust retrofits.

3. Are there limits on the size of the business that will qualify for loans under this program?

YES. Businesses must have 100 or fewer employees and \$10 million or less in annual revenues averaged over 3 years. This program can be used by businesses with 10 or fewer heavy-duty diesel vehicles in the fleet.

4. What can be financed?

New trucks and buses, newer used trucks and buses, and retrofits that are intended to meet the new regulations.

5. What is the maximum loan amount under the program?

\$1.5 million.

6. Will I automatically be able to get a loan or lease?

You will have to meet lending criteria established by the financial institution. The availability of the CalCAP funding should make it easier for them to approve a loan or a Terminal Rental Adjustment Clause (TRAC) lease.